

COMPANY NO. 726978

***EURESTEX LIMITED***

***ABBREVIATED REPORT AND ACCOUNTS***

***YEAR ENDED***

***30th JUNE 1996***

**ACCOUNTANTS**

**CLOUGH & COMPANY**

**CHARTFORD HOUSE**

**54, LITTLE HORTON LANE**

**BRADFORD**

**WEST YORKSHIRE**

**BD5 OBS**

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**AUDITORS' REPORT TO**  
**EURESTEX LIMITED**

**PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8**  
**OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of Eurestex Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1996.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th June 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

**Other information**

On 29th April 1997 we reported, as auditors of Eurestex Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1996 and our audit report was as follows:-

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**AUDITORS' REPORT TO**  
**EURESTEX LIMITED**

**PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8**  
**OF THE COMPANIES ACT 1985**  
**(CONTINUED)**

"We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**


We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Chartford House,  
54, Little Horton Lane,  
BRADFORD, BD5 0BS.

  
CLOUGH & COMPANY  
CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS  
29TH APRIL 1997

**EURESTEX LIMITED****COMPANY NO. 726978  
ABBREVIATED BALANCE SHEET**


as at 30th JUNE

	Note	1996	1995
CURRENT ASSETS			
Stocks - Finished goods		164139	228682
Debtors		595562	515699
Cash at bank		404	269
		<u>760105</u>	<u>744650</u>
CREDITORS - amounts falling due within one year			
	2	(156612)	(156107)
		<u>£603493</u>	<u>£588543</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	3	5000	5000
Profit and loss account		598493	583543
		<u>£603493</u>	<u>£588543</u>
EQUITY SHAREHOLDERS' FUNDS			

The accompanying notes form part of these abbreviated accounts.

The directors have taken advantage of the exemptions conferred on small companies by the Companies Act 1985, Schedule 8, Part III, Section A. In the opinion of the directors the company qualifies as a small company and is entitled to make use of the exemptions.

Approved by the board on 28th April 1997  
and signed on its behalf by



H.S. WOOD  
DIRECTOR

## ***EURESTEX LIMITED***

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### **NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1996**

#### **1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards.

The accounting policies, for dealing with items judged material or critical, in stating the results for the year and the financial position of the company, are:-

**a) BASIS OF ACCOUNTING**

The financial statements are prepared under the historical cost basis of accounting, and include the results of the activities described in the directors report, all of which are continuing.

**b) FOREIGN CURRENCIES**

Revenues and costs arising from transactions denominated in foreign currencies are translated into sterling at the rate of exchange in operation at the date on which the transaction occurred, or, where a transaction is covered by a matching forward contract, the rate of exchange specified in that contract.

Monetary assets and liabilities at the balance sheet date denominated in a foreign currency are translated using the rate of exchange at that date.

Exchange gains or losses are included as part of the profit or loss for the year from ordinary activities.

**c) DEFERRED TAXATION**

Provision is made for deferred taxation, using the liability method, in respect of short term timing differences and other timing differences which are not expected, with reasonable probability, to continue in the future. No material timing differences arise in these accounts.

**d) STOCKS**

Stocks are valued at the lower of cost and net realisable value.

**e) PENSION FUNDING**

The company operates defined contribution pension schemes on behalf of certain employees. Contributions to the schemes are charged against profits on an accruals basis.

#### **2. CREDITORS**

Included in creditors falling due within one year is a bank overdraft of £Nil (1995: £9,959).

The bank overdraft was secured by a fixed charge over book debts and a floating charge over all other assets of the company. This was released during the year.

## ***EURESTEX LIMITED***

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### **NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS (CONTINUED)**

<b>3. SHARE CAPITAL</b>	<b>1996</b>	<b>1995</b>
<u>Authorised</u>		
5000 ordinary shares of £1 each	£5000	£5000
	=====	=====
<u>Allotted, called up and fully paid</u>		
5000 ordinary shares of £1 each	£5000	£5000
	=====	=====

### **4. DIRECTORS' INTERESTS IN TRANSACTIONS**

H.S. Wood, a director has interest in the material transactions of the following companies, by virtue of his shareholdings

<b>Company</b>	<b>Loans from at 30th June 1996 £</b>	<b>Purchases from £</b>
H.S.Wood (Textiles) Limited	115733	92865
Regina (Bradford) Limited	11872	-
	=====	=====

### **5. CONTINGENT LIABILITIES**

There is in place banking guarantees with other group companies, D.H.C. (Bradford) Limited, V.R.A. Developments Limited, Rollbrief Limited and Fine Fibres Limited. The amount of this potential liability as at 30th June 1996 was £6,493.

### **6. ULTIMATE HOLDING UNDERTAKING**

The company's ultimate holding undertaking is Fine Fibres Limited, a company registered in England and Wales.